



# 2017 GOAL TEAM REPORT

## *March 21, 2017*

# GOAL 1

Create an Environment Conducive to Strong, Sustainable, Economic Development

# Goal 1 Team



- Aviation
- Community & Human Development
- Destination El Paso
- Economic Development
- International Bridges
- Mass Transit – Sun Metro
- Planning & Inspections

# Vision: *Vibrant Regional Economy*

- \$633 million in new capital investment
- Announced non-stop air service to four new markets; additional non-stop flights to existing markets also announced
- Completion of \$46M Consolidated Rental Car Facility
- Major destination retail announcements; record-breaking openings
- Introduced Rapid Transit: Mesa Corridor
- Medical Center of the Americas Development



# Retail Development, New Amenities

- Major economic impact & catalyst for continued growth
- Quality destination amenities & attractions
- More choices to live, work & play

## Secured:

- ✓ Cabelas
- ✓ Top Golf
- ✓ Dave & Busters
- ✓ Whole Foods
- ✓ Alamo DraftHouse
- ✓ Ruth's Chris Steakhouse
- ✓ Gander Mountain

## Concepts we are working to bring:

- Indoor water resort attraction
- Main Event
- I-fly
- Indoor Surfing

## Downtown Development

- New office buildings
- Parking Garages
- More investment in restoring historic structures



# State Incentives

## ***Urban Marriott Courtyard Downtown***

- State HOT Revenue & Sales Use Tax –Estimating \$3.7M
- \$8M in private investment
- 140 hotel rooms
- Expected completion by Fall 2017

## ***Camino Real Hotel***

- State HOT & Sales Use Tax –Estimating \$23M
- \$70M in private investment
- 300+ hotel rooms
- Expected completion by 2018



***Estimated \$50M in state incentives leveraged, including 1,000 ft. capture***



# Downtown Development

- Contractual investments: \$88,250,000
- 13 Downtown Incentivized Agreements
- 640 Hotel Rooms
- 160 Residential Units
- 229,352 sq ft. new office/retail/residential/hotel space



# Downtown Activity

FY 17: **\$78M** in Private Investment:

- 2 Downtown Hotel Agreements Executed
- 497 Hotel Rooms
- 5 Upcoming Projects in the Pipeline:  
**\$18.5M**
  - 77 Residential Units
  - 59,205 sf of office & retail space



# Airport Development

- Allegiant Airlines non-stop service to four major markets
- Delta Airlines added third, daily non-stop to Atlanta
- American Airlines added seats to non-stop flights to Los Angeles
- United Airlines added fourth, daily non-stop to Denver - commences April 5, 2017
- 1.6% increase in total passengers
- \$46M Consolidated Rental Car Facility opened
- \$23M construction of 5,499-foot General Aviation runway & parallel taxiway
- Upcoming launch of Virtual City Host Wall



*Photo by Scott Weaver*





# El Paso, a Top Twenty City

- **Best Place for Veterans to Live (ranked 6<sup>th</sup>, moved up from 2015 ranking of 7<sup>th</sup>)** *WalletHub.com – November 2016*
- **Best Cities for Parks (ranked 1<sup>st</sup>)** *Livability.com – April 2016*
- **Top 20 metro areas to start a business in America (ranked 16<sup>th</sup>)** *CNBC– August 2016*
- **Best places for Raising a Family** *Move.org-August 2016*
- **Best Cities for First –Time Home Buyers (ranked 4<sup>th</sup> large cities)** *WalletHub – July 2016*



Metro Monitor



# El Paso, a Top Twenty City

- **20 Best Places to Live in the U.S. for Quality of Life (ranked 9<sup>th</sup>)** *U.S. News & World Report– June 2016*
- **Best Cities for Hispanic Entrepreneurs (ranked 2<sup>nd</sup>)** *WalletHub – April 2016*
- **Top 10 Metropolitan Economies (ranked for prosperity, 7<sup>th</sup>)** *Brookings Metro Monitor - February 2016*
- **Best Run Cities in America (ranked 3<sup>rd</sup>)** *WalletHub – March 2015*
- **Happiest Cities in America (ranked 5<sup>th</sup> among 100 most populous metro areas in U.S.)** *Gallup Well-Being Index - 2015*



Metro Monitor

# Spotlight on El Paso



- **2017's Most Recession-Recovered Cities** (ranked 3rd among large cities, 13th cities of all sizes)  
*WalletHub.com – January 2017*

Metro Monitor



- **#11 Largest Exporter of Goods, Nationwide-** (*Brookings Institution, September 2016*)



- **One of the nation's Best Large Cities for families-** (*Apartment List, January 2017*)



# Current Year Results

- Executed seven (7) Economic Development Agreements that totaled more than **\$193 Million** in New Capital Investment
  - Creating **931** jobs and retaining **236** (FY 2017 Sep. 1, 2016 - to present



# Current Year Results

- EPIA tied for **2<sup>nd</sup> place in North America** in the 2016 Airports Council International (ACI) Airport Service Quality (ASQ) Awards in airport service quality



- Allegiant Airlines added twice-weekly service to Oakland International Airport



- United Airlines added fourth, non-stop daily flight to Denver

# Current Year Results

- Co-promoted large national acts
  - *Penn and Teller, Bob Dylan, Cleese and Idle, Foreigner, Camila, Mercy Me, and Dancing with the stars*
- Increased El Paso Electric Broadway series subscription from 1,074 subscribers last season to **1,516** in 2016-2017 season
- Participated in two national conferences to market performing arts venues



# Current Year Results

- El Paso's Hotel Occupancy was **71.0%** compared to 64.4% for same period, previous year
  - Surpasses state and national averages of 58.7% and 61.0% respectively
- January marked highest occupancy rate El Paso has seen in seven years at **68.6%**
  - **23.4%** increase over last January at 55.5%
- Supply (hotel inventory) increased by **1.3%**



# Current Year Results

- **New residential** construction through February 2017 was valued at **\$177.7 million** with **767 permits issued**.
- **Commercial construction** was valued at **\$213.2 million**, nearly two-thirds is attributed to new construction.

## *Permitted Commercial Projects with Highest Valuation*

<b>Project Name &amp; Description</b>	<b>Construction Value (\$M)</b>
<b>West Towne Marketplace –</b> Site Development & Shell Buildings for a New Retail Center	<b>\$31.1</b>
<b>Bel Air Middle School –</b> New EPISD Facility	<b>\$25.7</b>
<b>Parkland Middle School –</b> Addition to EPISD Facility	<b>\$11.0</b>
<b>Westfall Apartments –</b> New Housing Authority Apartment Facility	<b>\$9.7</b>
<b>Towne Place Suites by Marriott –</b> New Hotel Facility	<b>\$7.4</b>
<b>Complete Care Micro Hospital –</b> New Hospital Facility	<b>\$6.9</b>
<b>Cobalt El Paso –</b> New Intermediate Care Facility	<b>\$6.4</b>
<b>Interload Forwarding –</b> Shell for Industrial Warehousing Facility	<b>\$6.2</b>
<b>Cabela’s World’s Foremost Outfitter –</b> Tenant Improvement for New Retail Store	<b>\$5.7</b>
<b>El Paso International Airport –</b> 30,000 sq. ft. Addition	<b>\$5.3</b>





# Current Year Results

- **\$15M Northgate Transfer Center (NGTC)**
  - Construction began August 8, 2016
    - Operational Fall 2017
    - *Enhancements include enclosed transfer center, Wi-Fi, shelters at bus bays, real-time displays, concessionaire, parking garage, 8 bus bays and will be served by the Dyer RTS*
  - Wren Ave reconstruction began July 5, 2016
    - Work from Dyer intersection to Shoppers
    - Project completed February 2017
    - *Enhancements include new pedestrian/street lighting, landscaping and bicycle lanes*



# Market Familiarization Tours

- October 26-27<sup>th</sup> FAM Tour hosted by First Southwest for Underwriters and Investors
- Successfully attracts numerous site consultants, business development decision makers, travel writers, journalists, meeting planners
- Led to increased exposure and new business opportunities

*"The familiarization tour allows El Paso to showcase our assets and reaffirms that El Paso is open for business. Over the three days, our visitors will be able to see all that our community has to offer," said Mayor Oscar Leeser.*



# Goal 1- Key Performance Indicators

Key Performance Indicator	FY2015 Actual	FY2016 Actual	FY2017 Thru Q2	Annual Target
Amount of capital investment	\$267M	\$179M	\$193M <b>117% of goal</b>	164,934,000
Number of new jobs created	1,023	622	931 <b>91% of goal</b>	1,020
Number of jobs retained	1,579	2,514	236 <b>9% of goal</b>	2,754
# of EZ jobs new or retained	150	142	37 <b>28% of goal</b>	130



# Goal 1- Key Performance Indicators

Key Performance Indicator	FY2015 Actual	FY2016 Actual	FY2017 Thru Q2	Annual Target
Future hotel rooms booked	10,875	12,952	3,525	5% increase
Facility rental revenue	\$5,203,454	\$5,457,474	\$2,783,724	5% increase
Cost Per Enplaned Passenger	7.04	6.53	6.11	5% below national average for small hubs
One-Stop-Shop Customer Average In-Person Wait Time	5:31	6:06	6:56	Less than 8 minutes
% of Inspections conducted within One Calendar Day of Request	98.0%	98.2%	98.1%	At least 98%
Average Calendar Days for Initial Round of Review for New Commercial Plans	13.5	8.5	6.9	5 calendar days or less



# FY17 Key Deliverables



## *Strategy: Stabilize and expand El Paso's tax base*

### Key Deliverable

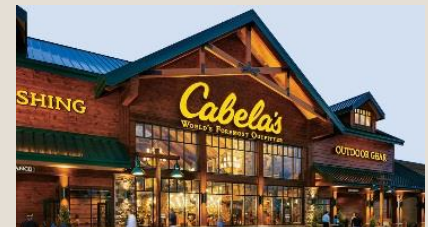
- Attract **2** new –to market destination retailers
- Enhance regional market opportunities and highlight continued successes to retailers
- Increase the number of site visits from 10 to **15** per year

### Update

- Top Golf Announcement and Incentive Agreement Executed Nov. 2016
- Cabela's Announcement in October 2016 at West Towne Marketplace



*Whole Foods Breaks Opening Day Customer Record*



# FY17 Key Deliverables

## Strategy: Stabilize and expand El Paso's tax base

### Key Deliverable

- Continue to Strengthen and Enhance our Business Retention and Expansion Efforts and align them with our incentive policies



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

### Update

- Partnered with Workforce Solutions & the Borderplex Alliance to host Industry Roundtables – Hospitality Roundtable in December
- Attended 3 Site Selection & Industry Related Conferences** and met with more than 10 site consultants to discuss opportunities for expansion.
- City secured grant with the Texas Governor's Small Business Initiative – and will coordinate next steps and efforts with local partners

# FY17 Key Deliverables



## *Strategy: Grow the core business of air transportation*

### **Key Deliverable**

### **Update**

Continue to meet with airlines to advocate for new, non-stop flights at ELP

During 1<sup>st</sup> QTR met with ten airlines

Update Airport Master Plan and include strategy for continued non-aviation development opportunities

In process and expected to be completed 1<sup>st</sup> QTR 2018



# FY17 Key Deliverables

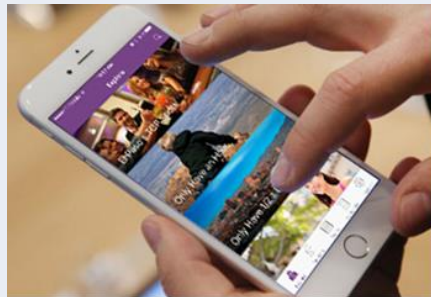
## *Strategy: Enhance visitor revenue opportunities*

### Key Deliverable

Maintain healthy increase in occupancy levels, which currently lead state and national averages amidst an increase in supply

Further enhance the editorial content, print, television, and online presence

Increase the current FY YTD 5,182 app downloads, average 400 a month



### Update

**Surpassing state and national averages** by 12.9% and 10% respectively

- Secured over **\$3.7 million** in editorial impact in first quarter
- On pace to meet year end goal of \$9.3 million
- Enhanced Visit El Paso App with new Spanish language option
- Increased total monthly downloads to **685**
- Pacing ahead of schedule with a YTD total of 2,741



# FY17 Key Deliverables

*Strategy: Maximize venue efficiencies through revenue growth and control*

## Key Deliverable

Achieve goal of **155,000** in performance venue attendance, FY YTD



ALFRESCO!  
FRIDAYS



cool  
CANYON  
nights



SUN CITY  
CRAFT BEER  
FESTIVAL 2016

## Update

- Pacing ahead of FY2015-2016 in all venues by **15.33%**
- Ahead of last fiscal year in all venues individually
  - Plaza Theatre up 5.87%
  - Abraham Chavez Theatre up 10.59%
  - Convention Center up 16.26%
  - McKelligon Canyon up 21.69%
  - Performance Venues are now up 7.85%
- Reached 59% of annual goal with 6 months left in the fiscal year

# FY17 Key Deliverables

*Strategy: Provide business friendly permitting and inspection processes.*

## Key Deliverable

Increase services available to contractors through the Build El Paso App, including ability to create call-in trade permits from a mobile device.

Increase offering of business license types available for online renewal.

## Update

- Re-roof permit application in process; deployment planned before close of fiscal year.
- Security alarm permit application fully deployed, resulting in **nearly 20%** of permits created online.
- Tattoo artist license in development.



# FY17 Key Deliverables

*Strategy: Provide business friendly permitting and inspection processes.*

## Key Deliverable

Continue development of P&I website to better share permitting, inspection, and land development information with the community.

Continue to implement an outreach program to increase awareness of technology based inspection scheduling and document review programs.

## Update

- Special Events calendar deployed;
- Business license page updates in progress.

- Continued outreach has resulted in increased use of electronic permit creation/review:
- **12% of trade permits** created online;
  - **51% of new commercial permits** created online;
  - **57% of new residential permits** created online.



# FY17 Key Deliverables



***Strategy: Stimulate economic growth through transit integration, cross border mobility, trade, and tourism***

<b>Key Deliverable</b>	<b>Update</b>
Successfully manage P3 Program to assist with CBP overtime during peak hours	Additional <b>\$795K</b> approved & implemented
Continued support of Lean Six Sigma Steering Committee and agreed projects to reduce cross-border times and increase capacity safely and securely	<b>55</b> Cargo project ideas (Ysleta & BOTA) identified
Fulfill community need for reliable parking services while providing excellent customer service (e.g. event/dynamic pricing)	Developed GIS inventory of parking spaces (garages & lots), meters & sensors
Infrastructure planning and development of proposals to support cross border trade and high traffic volumes <i>Section 559 of Consolidated Appropriations Act, 2014, P.L. 113-76</i>	Construction of first project (median removal) at Ysleta scheduled to start in May



# Key Opportunities/Challenges

## Economic & International Development



- Implement a long-term and strategic advertising and communication strategy
- Strengthen our regional partnerships with Ciudad Juarez and southern New Mexico
- Strengthen our Business Retention and Expansion efforts (industry roundtables identifying opportunities/challenges)
- Continue proactive recruitment efforts of diverse quality retail options and destination and entertainment concepts



# Key Opportunities/Challenges

## *Airport*

- Coordination with Borderplex - institute a business-backed incentive program to attract new flights
- Revision of incentive program to include incentives for select market direct flights
- **\$26M** Bag Makeup project



# Key Opportunities/Challenges

## *Destination El Paso*

- Renovation of former Camino Real Hotel
- Increased development of downtown hotels (opportunity & challenge)



# Key Opportunities/Challenges

## *Planning & Inspections*

- Increase permitting and licensing services available to customers online and through mobile devices
- Maintain current One-Stop-Shop customer service levels while customer volume and service offerings continue to increase
- Maintain current inspection and plan review service levels as large scale developments continue to come online

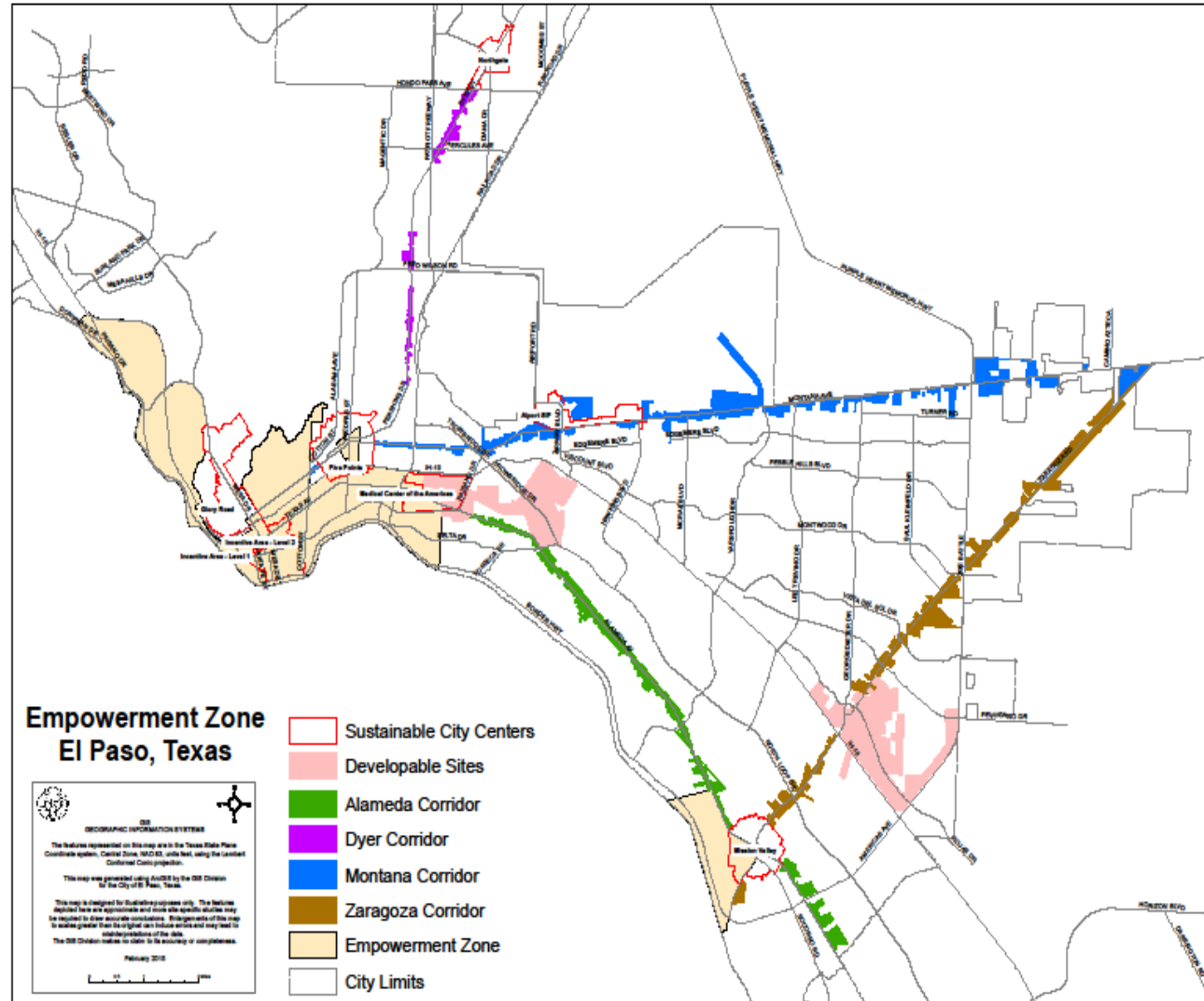




# Key Opportunities/Challenges

## Community & Human Development

- Empowerment Zone: Target marketing to new and existing businesses in RTS corridor development zones to support development in these areas.



# Key Opportunities/Challenges

## Mass Transit – Sun Metro



- Three Brio routes & Streetcar operational FY2018/2019 (opportunity & challenge)
- Army Community Partnership Program – potential to hire former service personnel
- Control of overtime – manpower levels and appropriate route scheduling

# Key Opportunities/Challenges

## *International Bridges*

- Interest in international crossings at state & federal level
- Development and identification of funding for capital improvement plan
- Zaragoza commercial expansion for freight shuttle





# 2017 GOAL TEAM REPORT

## *March 21, 2017*

# GOAL 1

Create an Environment Conducive to Strong, Sustainable, Economic Development